GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2360
ANSWERED ON:03.12.2007
EXPORT OF WOOLEN TEXTILE
Tripathy Shri Braja Kishore

Will the Minister of TEXTILES be pleased to state:

(a) whether the Knitwear industry of India is making the recovery from the slump;

(b) if so, the details of sale orders received by woolen manufacturers during 2007-08 so far;

(c) the details of woolen textile exports of the country during 2007-08 as compared to corresponding period of previous year, Country-wise; and

(d) the steps taken by the Government for the promotion of woolen export?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): It appears that Knitwear industry is facing problems of rupee appreciation against US Dollar like other export oriented business activities. The Government does not maintain data on the orders received by the woolen manufactures.

(c): The details of woolen exports of the country during April-June, 2006 and April-June, 2007 are:

(Value in Rupees Crores)

PRODUCTS	APRIL-JUNE 06	APRIL-JUNE 07
Woollen, Yarns, Fabrics & Made-ups	97.50	86.55
RMG Wool	372.54	330.32
TOTAL	470.04	416.87
% Decrease		11.31%

The details of country-wise export of woolen products are shown in Annexure-I.

(d): The steps taken by the Government for promotion of woolen exports are shown in Annexure-II.

Annexure-I

Statement showing details of country-wise export of woolen products

Commodity: RMG WOOL (Values in US $ Million)

S.No.	Country	Jun 2006	Jun 2007	% Growth	Apr-Jun 2006	Apr-Jun 2007	% Growth
1.	AFGHANISTAN TIS	0.07	0.51	632.32	0.41	0.55	32.16
2.	ALGERIA				0.00		
3.	AMERI SAMOA				0.00		
4.	ANGOLA				0.00		
5.	ARGENTINA	0.03			0.03	0.11	283.24
6.	AUSTRALIA	0.15	0.13	-15.73	0.33	0.32	-2.21
7	AUSTRIA	0.06	0.01	-74.42	0.10	0.08	-24.21
8.	ARUBA	0.00			0.00		
9.	AZERBAIJAN	0.00			0.00	0.00	-81.13
10.	BAHARAIN IS	0.01	0.09	604.20	0.05	0.11	128.25
11.	BANGLADESH PR	0.07	0.00	-98.13	0.07	0.00	-98.28
12.	BARBADOS	0.00			0.00		
13.	BELIZE				0.00		
14.	BELGIUM	0.15	0.46	203.83	0.62	0.76	22.46
15.	BERMUDA				0.01		

16. BOSNIA-HRZGOVIN 0.00 0.00
17. BRAZIL 0.05 0.01 0.05 274.97
18. BRUNEI 0.04 0.04
19. BULGARIA 0.02 0.02 -4.07 0.02 0.02 -16.47
20. CAMBODIA 0.00
21. CAMEROON 0.00 0.00
22. CANADA 0.56 1.03 83.91 1.88 1.62 -14.17
23. CAYMAN IS 0.00 0.00
24. CHILE 0.00 0.07 3,744.75 0.01 0.10 1,190.77
25. TAIWAN 0.01 0.00 -78.67 0.02 0.01 -59.16
26. CHINA P RP 0.01 0.02 0.02 10.22
27. COLOMBIA 0.00 0.00
28. CONGO P REP 0.01 0.00 -88.23
29. CROATIA 0.00 0.01 1,445.92 0.00 0.01 1,872.51
30. CYPRUS 0.00 0.01
31. CZECH REPUBLIC 0.01 0.00 -79.11 0.04 0.01 -86.33
32. DENMARK 0.61 1.10 80.70 1.25 1.62 29.85
33. DJIBOUTI 0.18
34. DOMINIC REP 0.00 0.01
35. EGYPT A RP 0.06 0.25 344.28 0.25 0.52 105.65
36. EL SALVADOR 0.00 0.00
37. ESTONIA 0.01 0.01 0.01 3.33
38. ETHIOPIA 0.00
39. FINLAND 0.39 0.23 -42.54 0.62 0.39 -36.96
40. FIJI IS 0.02 0.03 91.93 0.24 0.08 -67.08
41. FRANCE 3.34 4.35 30.25 7.08 7.94 12.19
42. FR GUIANA 0.00
43. GAMBIA 0.00
44. GEORGIA 0.00 0.00 -79.27 0.08 0.00 -99.71
45. GERMANY 2.00 3.48 74.04 4.81 5.55 15.43
46. GHANA 0.00 0.00 2,129.08 0.02 0.00 -77.92
47. GIBRALTAR 0.00
48. GREECE 0.07 0.18 173.05 0.12 0.26 119.94
49. GUATEMALA 0.00
50. HONG KONG 0.07 0.07 9.03 0.32 0.71 123.23
51. HUNGARY 0.04 0.02 -29.36 0.06 0.06 -5.11
52. ICELAND 0.01
53. INDONESIA 0.01 0.00 -78.21 0.03 0.01 -78.16
54. IRELAND 0.06 0.14 159.06 0.10 0.18 74.80
55. ISRAEL 0.04 0.02 -43.45 0.25 0.08 -66.33
56. ITALY 2.35 2.85 20.88 4.44 4.79 7.85
57. JAMAICA 0.01 0.03 181.65 0.03 0.07 132.53
58. JAPAN 0.11 0.39 249.77 0.75 0.83 9.62
59. JORDAN 0.03 0.00 -98.84 0.06 0.01 -73.77
60. KAZAKHSTAN 0.01 0.19 2,391.20 0.04 0.19 434.19
61. KENYA 0.02 0.01 -70.68 0.05 0.04 -28.65
62. KOREA DP RP 0.01 0.01 0.58 0.01 0.01 -22.02
63. KYRGHYZSTAN 1.02 0.02 -97.67 1.48 0.04 -97.52
64. KOREA RP 0.00 0.04 15,261.88 0.02 0.09 260.88
65. KUWAIT 0.01 0.11 1,080.61 0.12 0.27 127.51
66. LATVIA 0.00
67. LEBANON 0.01 0.04 0.01 -67.87
68. LIBYA 0.03
69. LITHUANIA 0.00 0.00
70. LUXEMBOURG 0.01
71. MACAO 0.01
72. MADAGASCAR 0.00 0.00
73. MALAWI 0.00 0.00 335.42 0.00 0.00 334.52
74. MALAYSIA 0.07 0.32 385.36 0.35 0.50 43.38
75. MALDIVES 0.00 0.00 0.01 858.56
76. MALI 0.00 0.00
77. MALTA 0.00 0.00
78. MAURITIUS 0.02 0.02 -16.57 0.06 0.07 16.90
79. MYANMAR 0.00 0.00
80. MEXICO 0.14 0.22 58.83 0.38 0.68 77.19
81. MONACO 0.01 0.00 -39.28 0.01 0.00 -39.41
82. MOROCCO 0.00 0.00 -70.51 0.00 0.03 728.62
83. NAMIBIA 0.01 0.01 0.01 9.00
84. NEPAL 0.00 0.00 -1.62 0.00 0.02 1,205.95
85. NETHERLAND 1.12 1.48 32.13 2.00 2.39 19.15
86. NETHERLANDANTIL 0.03 0.11 346.48 0.09 0.24 155.11
87. NEW ZEALAND 0.02 0.05 137.20 0.10 0.07 -30.99
88. NIGER 0.00 0.06 0.00 -97.74
89. NIGERIA 0.03 0.04 43.81 0.03 0.27 712.64
90. NORWAY 0.11 0.08 -26.18 0.19 0.23 21.79
91. OMAN 0.07 0.01 -87.46 0.15 0.08 -41.87
92. PANAMA REPUBLIC 0.03 0.05 82.01 0.08 0.05 -42.17
93. PAPUA N GNA 0.00
94. PERU 0.00 0.00
95. PHILIPPINES 0.00 0.00 426.90 0.00 0.00 99.70
96. POLAND 0.10 0.04 -58.02 0.25 0.12 -51.93
97. PORTUGAL 0.04 0.10 161.03 0.07 0.14 121.49
98. QATAR 0.00 0.01 571.15 0.03 0.04 25.47
99. REUNION 0.00 0.01 0.00 -86.69
100. ROMANIA 0.00 0.04 1,480.13 0.01 0.05 259.75

101. RUSSIA 0.66 1.15 73.55 1.21 1.42 16.92
102. SAUDI ARAB 0.58 0.85 45.58 1.48 3.43 131.20
103. SENEGAL 0.00 0.00
104. UNION OF SERBIA
& MONTENEGRO 0.02 0.01 -71.02 0.02 0.01 -49.36
105. SLOVAK REP 0.00 0.01 166.05 0.01 0.01 16.33
106. SINGAPORE 0.04 0.05 21.63 0.17 0.10 -40.40
107. SLOVENIA 0.00 0.00
108. SOUTH AFRICA 0.12 0.18 49.82 0.32 0.24 -24.72
109. SPAIN 1.37 1.64 20.19 3.35 3.41 1.92
110. SRI LANKA DSR 0.13 0.16 21.57 0.43 0.37 -15.16
111. ST VINCENT 0.00 0.00
112. SUDAN 0.00 0.02 12,214.35
113. SURINAME 0.00 0.04 1,714.94 0.01 0.04 661.70
114. SWAZILAND 0.00 0.00
115. SWEDEN 0.20 0.43 113.83 0.52 0.62 19.85
116. SWITZERLAND 0.05 0.07 35.60 0.26 0.15 -40.38
117. TAJIKISTAN 0.01 0.01
118. TANZANIA REP 0.02 0.09 304.09 0.04 0.09 119.63
119. THAILAND 0.00 0.03 1,448.02 0.05 0.05 -0.33
120. TOGO 0.01 0.20 1,570.01 0.32 0.20 -37.81
121. TRINIDAD 0.00 0.16 0.01 -95.51
122. TURKEY 0.08 0.13 75.10 0.42 0.24 -42.54
123. TURKMENISTAN 0.02 0.04 122.10 0.02 0.17 609.68
124. UGANDA 0.00 0.00 -6.18 0.02 0.00 -77.49
125. U ARAB EMTS 1.09 1.70 56.94 4.20 4.97 18.25
126. U K 2.69 4.36 62.27 7.54 7.89 4.65
127. UKRAINE 0.66 0.19 -71.97 1.14 0.33 -71.35
128. U S A 9.01 9.96 10.64 30.00 23.54 -21.55
129. URUGUAY 0.01 0.01 32.37 0.01 0.01 -7.19
130. VENEZUELA 0.00 0.00
131. VIETNAM SOC REP 0.01
132. VIRGIN IS US 0.00
133. YEMEN REPUBLC 0.03 0.09 0.02 -79.93
134. CONGO D. REP. 0.00 0.00
135. ZAMBIA 0.00 0.00 0.12 5,606.56
136. ZIMBABWE 0.02 0.02 0.00 -86.99
137. UNSPECIFIED 0.00 0.00
Total 30.01 39.95 33.13 81.93 80.11 -2.22
Exchange Rate:(1US$=Rs.)45.0561 40.7736 45.4708 41.2344

Commodity: WOLLEN YARN,FABRICS,MADEUPSETC (Values in US $ Million)
S.No. Country Jun Jun % Growth Apr-Jun Apr-Jun % Growth
2006 2007 2006 2007

1. AFGHANISTAN TIS 0.06 0.06
2. AUSTRALIA 0.09 0.14 53.78 0.22 0.43 99.35
3. AUSTRIA 0.02 0.10 0.02 -79.88
4. BAHARAIN IS 0.02 0.01 0.02 96.31
5. BANGLADESH PR 0.02 0.13 0.05 -64.54
6. BELGIUM 0.29 0.28 -5.27 1.10 1.00 -9.15
7 BOTSWANA 0.00 0.03 0.00 -92.50
8. BULGARIA 0.00
9. CANADA 0.08 0.09 9.30 0.18 0.26 46.66
10. CHAD 0.10 0.05 0.10 106.64
11. CHILE 0.13 0.05 -60.58 0.13 0.05 -60.66
12. TAIWAN 0.02 0.04 59.31 0.04 0.04 1.19
13. CHINA P RP 0.25 0.18 -29.19 0.63 0.52 -17.94
14. COLOMBIA 0.00 0.07 0.00 -99.77
15. CONGO P REP 0.01 0.01
16. COSTA RICA 0.02 0.03
17. CROATIA 0.01
18. CYPRUS 0.18 0.28
19. CZECH REPUBLIC 0.04 0.04
20. DENMARK 0.06 0.06 -3.06 0.06 0.06 4.74
21. DOMINIC REP 0.10 0.01 -90.01 0.14 0.64 358.03
22. ECUADOR 0.03 0.03
23. EGYPT A RP 0.03 0.03 11.57 0.06 0.82 1,338.76
24. ETHIOPIA 0.01
25. FINLAND 0.06 0.00 0.05 4,060.43
26. FIJI IS 0.00 0.00
27. FRANCE 0.17 0.02 -90.13 0.25 0.03 -86.98
28. GERMANY 0.61 0.25 -58.70 1.61 0.59 -63.09
29. GREECE 0.01 0.02 105.88 0.15 0.04 -76.10
30. HONG KONG 0.05 0.03 -28.26 0.10 0.07 -32.10
31. HUNGARY 0.01 0.01 -14.14
32. INDONESIA 0.33 0.00 -99.08 0.43 0.22 -48.89
33. IRAN 0.13 0.20 0.00 -99.49
34. IRELAND 0.01
35. ISRAEL 0.00 0.00 0.00 67.76
36. ITALY 1.29 1.49 15.71 4.07 3.85 -5.40

37.	JAPAN	0.46	0.43	-6.09	0.70	0.96	36.45
38.	JORDAN		0.01	0.10	1,763.79		
39.	KAZAKHSTAN		0.00				
40.	KENYA	0.02	0.19	809.62	0.36	0.42	17.45
41.	KOREA DP RP		0.00				
42.	KOREA RP	0.00	0.00	645.55	0.04	0.01	-79.24
43.	KUWAIT	0.00	0.02	405.01	0.00	0.04	891.07
44.	LATVIA		0.00	0.09	5,920.99		
45.	LEBANON	0.02		0.21	0.03	-83.89	
46.	LIBERIA		0.09				
47.	LITHUANIA	0.04		0.00	0.04	1,680.00	
48.	MALAWI	0.01		0.04	0.01	-71.17	
49.	MALAYSIA	0.15	0.07	-51.44	0.33	0.19	-43.22
50.	MALDIVES	0.00		0.01			
51.	MALTA		0.01				
52.	MAURITIUS	0.00	0.01	602.14	0.01	0.01	-37.76
53.	MYANMAR		0.02				
54.	MEXICO		0.00				
55.	MOZAMBIQUE	0.01		0.01	0.02	54.18	
56.	NEPAL	0.01	0.02	278.81	0.04	0.05	40.50
57.	NETHERLAND	0.01	0.00	-74.54	0.03	0.07	120.33
58.	NEW ZEALAND	0.05	0.18	256.40	0.18	0.56	213.43
59.	NIGERIA		0.01				
60.	NORWAY	0.02	0.00	-81.49	0.02	0.01	-72.49
61.	OMAN	0.01	0.00	-70.98	0.02	0.04	99.96
62.	PAKISTAN IR		0.00				
63.	PANAMA REPUBLIC	0.06		0.12			
64.	PHILIPPINES	0.02		0.03			
65.	POLAND	0.04	0.03	-31.07	0.11	0.07	-36.12
66.	PORTUGAL	0.02	0.00	-84.05	0.03	0.09	175.56
67.	QATAR	0.02		0.06	0.00	-97.80	
68.	ROMANIA		0.01				
69.	RUSSIA		0.00				
70.	SAUDI ARAB	0.09	0.03	-62.28	0.45	0.14	-67.46
71.	SLOVAK REP		0.01				
72.	SINGAPORE	0.06	0.00	-94.18	0.19	0.00	-98.18
73.	SLOVENIA	0.00		0.01	0.00	-86.76	
74.	SOUTH AFRICA	0.02	0.24	1,068.09	0.13	0.35	167.02
75.	SPAIN	0.14	0.07	-47.57	0.87	0.49	-43.75
76.	SRI LANKA DSR	0.34	0.10	-71.53	0.71	0.18	-74.46
77.	SUDAN	0.56		0.63	0.84	33.73	
78.	SWEDEN	0.18	0.08	-59.01	0.23	0.14	-40.10
79.	SWITZERLAND	0.04		0.05	0.00	-98.16	
80.	SYRIA	0.12		0.12	0.06	-49.39	
81.	TANZANIA REP	0.00		0.00	0.00	1,192.82	
82.	THAILAND	0.00	0.05	1,168.82	0.05	0.05	1.06
83.	TUNISIA	0.25	0.07	-71.30	0.29	0.23	-22.28
84.	TURKEY	0.06	0.12	111.02	0.08	0.27	221.50
85.	U ARAB EMTS	0.31	0.20	-34.20	0.52	0.36	-31.12
86.	U K	0.83	1.68	102.50	2.27	4.21	85.27
87.	UKRAINE	0.01		0.01			
88.	U S A	0.76	0.45	-41.55	2.02	0.95	-52.71
89.	VENEZUELA		0.00				
90.	VIETNAM SOC REP	0.04	0.68	1,463.94	0.14	0.81	477.19
91.	YEMEN REPUBLC	0.00		0.09	0.00	-95.52	
92.	ZAMBIA		0.01				
93.	UNSPECIFIED		0.03				
	Total	8.67	7.83	-9.75	21.44	20.99	-2.11
Exchange Rate:(1US$=Rs.)		45.0561	40.7736		45.4708	41.2344	

Annexure-II

Details of various steps taken by the Government for the growth of textiles industry: -

i) 100% Foreign Direct Investment is allowed in the textiles sector under the automatic route.

ii) The Government has de-reserved readymade garments, hosiery and knitwear from the Small Scale Industry (SSI) sector.

iii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector. The TUFS has been extended beyond 31.3.2007 and has been modified in consultation with the industry and approval of the Competent Authority w.e.f. 1st November 2007. The Scheme is now in operation.

iv) A new `Scheme for Integrated Textile Parks` has been formulated by merging this `Scheme for Apparel Parks for Exports` and the `Textiles Centre Infrastructure Development Scheme`, in order to expand the production base of the textiles and garment sector.

v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given the option of excise exemption.

vi) The import of specified textiles and garment machinery has been allowed at a concessional rate of customs duty to encourage

investment and to make our textiles product competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

vii) The Duty-free import of 21 items of trimmings and embellishment items is allowed to garment exporters. This can be upto 3% of their actual export performance during the previous year.

viii) For the speedy modernisation of the textiles processing sector, Government has introduced, w.e.f 20.4.2005, a credit linked capital subsidy scheme @10% under TUFS, in addition to the existing 5% interest reimbursement.

ix) In 2004-05 Budget, the entire textile sector, except for man-made fibre and filament yarn was provided optional exemption from excise duty. In 2005-06 Budget, Central Value- aided Tax (CENVAT) on Polyester Filament Yarn has been reduced from 24% to 16%. These modifications in fiscal levies aim at attracting more investments for modernization of textile sector.

x) To facilitate import of state of the art machinery to make our products internationally competitive in post quota regime, in 2005-06 Budget, the customs duty on textile machinery has been brought down to 10% except 23 machinery appearing in List 49 which attracts Basic Customs Duty (BCD) of 15%. The concessional duty of 5% continues to be at 5% on most of the machinery items.

xi) Government has launched the Debt Restructuring Scheme w.e.f. Sept., 2003 with the principal objective to permit banks to lend to the textile sector at 8-9% rate of interest.